



STATE OF WEST VIRGINIA  
OFFICE OF THE ATTORNEY GENERAL  
DARRELL V. MCGRAW, JR.  
CONSUMER PROTECTION DIVISION  
1-800-368-8808 or 304-558-8986

## Press Release

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### FOR IMMEDIATE RELEASE

**November 27, 2007**

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### **Attorney General McGraw Settles with Debt Purchaser, Excalibur I, Resulting in \$3 Million in Canceled Debt for 861 West Virginia Consumers**

Attorney General Darrell McGraw recently entered into a settlement agreement with Excalibur I, LLC, a debt purchaser based in Lake Success, New York, that resulted in the cancellation of more than \$3 million in debt allegedly owed by 861 West Virginia consumers. Excalibur also agreed to dismiss 119 collection lawsuits that it had filed against West Virginia consumers and to release any court judgments that had already been obtained.

Attorney General McGraw's Consumer Protection Division commenced an investigation of Excalibur last year after learning that Excalibur was collecting debts and filing lawsuits against West Virginia consumers without a collection agency license. Excalibur agreed to obtain a license before collecting debts in the future, to close the accounts of all consumers it had contacted with a zero balance, and to refund \$27,611.00 of payments that it had collected from West Virginia consumers.

Attorney General McGraw stated, "The predatory lending practices of certain unscrupulous companies in the financial services industry has spawned a new industry - the debt purchasing industry. This new industry buys defaulted consumer accounts for pennies on the dollar and then aggressively attempts to collect the debt, which often includes the filing of a lawsuit. In many instances, debt purchasers pursue the wrong consumers and rarely have in their possession documents proving that the accounts are owed at all. I commend Excalibur for entering into this agreement with our office that will afford additional protections to consumers in the future."

Any persons wishing to file a complaint about a consumer matter or to alert the Attorney General about unfair or deceptive practices may do so by calling the Consumer Protection Hot Line, 1-800-368-8808, or by obtaining a complaint form from the consumer web page at [www.wvago.gov](http://www.wvago.gov).

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